COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JEFFREY CHARLES QUARLES)
COMPLAINANT))
V.) CASE NO. 2005-00437
PEAKS MILL WATER DISTRICT)
DEFENDANT))

ORDER

On March 20, 2006, Peaks Mill Water District ("Peaks Mill") filed a motion for a hearing and for reconsideration of the portion of the Commission's Order of February 24, 2006 overruling a motion to dismiss. A formal hearing was held in this matter on April 4, 2006. Based upon the facts developed at that hearing and considering the record, we find that Peaks Mill's motion for reconsideration should be denied.

On January 12, 2006, we entered an Order finding an issue had been raised as to the availability of Kentucky-American Water Company ("Kentucky-American") facilities in the area to serve Jeffrey Charles Quarles ("Complainant"). Consequently, we made Kentucky-American a party in this case for the purpose of furnishing information to the Commission, such as the respective water facilities in the area and service options for Complainant. Kentucky-American has made a motion to be dismissed as a party after the conclusion of the formal hearing of April 4, 2006. We

note that Kentucky-American was not a party complained of in the original complaint and that Complainant has made no application to Kentucky-American for service. We find that Kentucky-American's motion should be granted

IT IS THEREFORE ORDERED that:

- 1. Peaks Mill's motion to reconsider the Order entered on February 24, 2006 is denied.
 - 2. Kentucky-American is dismissed as a party.

Done at Frankfort, Kentucky, this 11th day of April, 2006.

By the Commission

ATTEST:

Kobert a Smath for the Executive Director